

### ***Wall Street Reform Includes New Protections for Small Businesses Against Big Banks***

U.S. Rep. Holt today attended the signing into law of the Wall Street Reform and Consumer Protection Act, legislation that includes new help for small business owners and merchants, such as new rules that will provide relief from swipe fees charged by card companies for every debit sale. Last week, Holt visited the family-run Trygar's Hardware and Locksmith in South River. The owner, Ed Trygar, explained to Holt how his business has been hurt by swipe fees. As a longtime fixture in the community, he does not want to pass these costs on to his customers. Yet as fees have increased drastically over the last few years and as more customers rely on plastic at the checkout, he has felt the squeeze. The new law provides Trygar and other small businesses with relief by requiring the Federal Reserve to set standards for debit swipe fees just as it does for paper check transactions.

Just as small businesses will benefit from Wall Street reform, Holt also highlighted a new report that found that New Jersey small businesses will benefit from new tax relief for health care costs. According to a report from the consumer health organization Families USA and the small business advocacy group Small Business Majority, 77.5 percent of New Jersey small businesses with fewer than 25 employees will be eligible this year to receive tax relief for health care costs. This means nearly 127,000 small businesses will qualify in New Jersey. According to the report, 37,000 New Jersey small businesses will qualify for the maximum tax credit of 35 percent. These are businesses that employ 10 or fewer workers who earn an average wage of less than \$25,000, and traditionally have the most difficult time affording health insurance.

"For years, small businesses and their employees couldn't get a fair shake from powerful Wall Street banks or big health insurance companies," Holt said. "Our small businesses and their employees deserve better. By reforming the ways of Wall Street and the health insurance system, we are putting small businesses and consumers first. These changes will help the private sector grow and create new jobs."

In addition to supporting small businesses, Wall Street reform helps employees by creating a Consumer Financial Protection Bureau. This bureau will act as an independent watchdog with the ability to identify abusive practices in the marketplace and act day in and day out on behalf of American consumers. Bad actors in the market exploited the diffuse network of regulators to push bad financial products onto American consumers. This new Consumer Financial Protection Bureau will consolidate the responsibilities of six agencies under one roof.

The bureau will ensure Americans are not victimized by deceptive practices or hidden fees. It will make sure that consumers have accurate information when they shop for credit cards and mortgages. It also will monitor student loan companies, credit counseling firms, and credit bureaus that market credit reports to consumers. The law also establishes a hotline for Americans to call to report unfair practices.

“Media reports of the new Wall Street reform law have focused on new accountability to Wall Street and new rules preventing taxpayer-funded bailouts of financial giants. Lost in the general discussion are new consumer protections established to protect Americans from the types of abusive practices and financial products - such as credit card companies using unfair and deceptive practices and lenders steering families into mortgages they could not afford to repay – that led to the economic collapse,” Holt said.

Earlier this year, Holt introduced legislation to encourage small business investment and job creation. One bill – the “Create Jobs by Expanding the R&D Tax Credit Act of 2010” – would help businesses by strengthening the research and development (R&D) tax credit, which allows businesses to invest in innovation and, in the process, expand and hire new workers. Holt’s legislation temporarily would boost the most common form of the federal R&D tax credit, which would create 162,000 jobs in the short-term and increase the GDP by \$90 billion, according to the Information Technology and Innovation Foundation.

Another bill Holt introduced – the “Creating Jobs From Innovative Small Businesses Act of 2010” - would encourage small business investment by establishing a temporary 20 percent tax credit for investments in research-intensive small businesses. This legislation builds on a successful state initiative in New Jersey and 17 other states.

In addition to these bills, Holt has held multiple workshops for small businesses to highlight the services that are available to help them. Earlier this year, he held a workshop in Manalapan where more than 100 small business owners learned about loan programs available through the SBA and the New Jersey Economic Development Authority. In April, Holt held an event to help small businesses learn how to export their products to foreign markets.